

CHAPTER 338

PUBLIC UTILITIES

HOUSE BILL 21-1269

BY REPRESENTATIVE(S) Hooton and Boesenecker, Amabile, Benavidez, Bennett, Bird, Caraveo, Cutter, Gonzales-Gutierrez, Kennedy, Lontine, McCormick, Mullica, Ortiz, Ricks, Sirota, Titone, Valdez A., Weissman, Woodrow, Gray, Kipp, Michaelson Jenet;
also SENATOR(S) Donovan, Fenberg, Gonzales, Jaquez Lewis, Moreno, Story.

AN ACT

CONCERNING AN INVESTIGATION BY THE PUBLIC UTILITIES COMMISSION TO EVALUATE THE PARAMETERS OF AN ENERGY POLICY ALLOWING COMMUNITIES IN COLORADO THAT ARE SERVED BY AN INVESTOR-OWNED ELECTRIC UTILITY TO CHOOSE ALTERNATIVE WHOLESALE ELECTRICITY SUPPLIERS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 40-4-120 as follows:

40-4-120. Study of community choice in wholesale electric supply - duties of commission - report - legislative declaration - definition - repeal.

(1) Legislative declaration. (a) THE GENERAL ASSEMBLY FINDS AND DETERMINES THAT:

(I) FOURTEEN COMMUNITIES IN COLORADO, KNOWN AS THE "READY FOR 100" COMMUNITIES, HAVE COMMITTED TO OBTAINING ONE HUNDRED PERCENT RENEWABLE ENERGY BY 2025 TO 2035. IN ADDITION, THIRTY-FIVE COMMUNITIES, KNOWN AS "COLORADO COMMUNITIES FOR CLIMATE ACTION", HAVE ORGANIZED TO ADVOCATE FOR STRONGER CLIMATE CHANGE POLICIES. THESE COMMUNITIES, WHICH REPRESENT MORE THAN ONE MILLION COLORADANS, ARE EXPLORING WAYS TO REACH THEIR ENERGY AND CLIMATE GOALS WITHIN THEIR DESIRED TIME PERIODS.

(II) A KEY ELEMENT OF THE GOVERNOR'S POLICY INITIATIVE, ENTITLED "ROADMAP TO 100% RENEWABLE ENERGY BY 2040 AND BOLD CLIMATE ACTION", PRIORITIZES SUPPORTING LOCAL COMMITMENTS TO ONE HUNDRED PERCENT RENEWABLE ENERGY.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(III) THE ABILITY OF A COMMUNITY TO ACHIEVE ITS ENERGY GOALS IS CURRENTLY LIMITED BY THE ENERGY SUPPLY AND THE DECARBONIZATION TIMELINE OF THE ELECTRIC UTILITY THAT SERVES THAT COMMUNITY'S GEOGRAPHIC AREA. THE ABILITY TO PROCURE ELECTRICITY FROM ALTERNATIVE WHOLESALE SUPPLIERS MAY ENABLE COMMUNITIES TO ACHIEVE THEIR ENERGY GOALS FASTER AND MORE COST-EFFECTIVELY.

(IV) COMMUNITY CHOICE ENERGY OR CCE, ALSO COMMONLY KNOWN AS COMMUNITY CHOICE AGGREGATION OR CCA, IS A LOCAL ENERGY MODEL THAT A NUMBER OF STATES HAVE ADOPTED AND THAT HAS PROVEN TO BE EFFECTIVE IN HELPING COMMUNITIES ACHIEVE THEIR RENEWABLE ENERGY GOALS, COST-CONTAINMENT GOALS, OR BOTH. A ROBUST STUDY OF CCE WOULD ANSWER KEY QUESTIONS AND ILLUMINATE THE POSSIBLE BENEFITS AND CHALLENGES OF ADAPTING THE CCE MODEL AS AN OPTION FOR COLORADO COMMUNITIES.

(V) IN THE CCE MODEL, COMMUNITIES THAT ARE SERVED BY AN INVESTOR-OWNED ELECTRIC UTILITY MAY CHOOSE THEIR WHOLESALE ELECTRICITY SUPPLIERS, WHILE THE ELECTRICITY CONTINUES TO BE DELIVERED BY THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY. IN STATES THAT HAVE ENABLED CCE TO DATE, CCE IS NOT PERMITTED IN COMMUNITIES THAT ARE SERVED BY A COOPERATIVE ELECTRIC ASSOCIATION OR A MUNICIPALLY OWNED ELECTRIC UTILITY.

(VI) IN THE CCE MODEL, AN INVESTOR-OWNED ELECTRIC UTILITY CONTINUES TO OWN AND OPERATE ITS TRANSMISSION AND DISTRIBUTION SYSTEM TO SERVE BOTH CCE CUSTOMERS AND ITS OWN CUSTOMERS, AND THE UTILITY CONTINUES TO PROVIDE METERING AND BILLING SERVICES, MANAGE CUSTOMER SERVICE, AND IMPLEMENT DEMAND-SIDE MANAGEMENT PROGRAMS. THE UTILITY CONTINUES TO OWN AND OPERATE ITS POWER GENERATION ASSETS TO SERVE ITS OWN CUSTOMERS. IF A COMMUNITY CHOOSES TO ADOPT CCE, THE UTILITY WOULD DELIVER THE ELECTRICITY, WITH APPROPRIATE COMPENSATION, FROM ONE OR MORE ALTERNATIVE SUPPLIERS TO CCE CUSTOMERS.

(VII) THIS SECTION CONCERNS THE "WHOLESALE, OPT-OUT" MODEL OF CCE, PURSUANT TO WHICH INDIVIDUAL CUSTOMERS ARE AUTOMATICALLY ENROLLED IN AND RETAIN THE RIGHT TO OPT OUT OF THEIR COMMUNITY'S CCE OFFERINGS AND PURCHASE THEIR ELECTRICITY FROM THE UTILITY UNDER ITS TRADITIONAL BUNDLED SERVICE. BY CONTRAST, THE RETAIL MODEL OF CCE, IN WHICH INDIVIDUALS IN DEREGULATED RETAIL CHOICE STATES CAN SHOP FOR THEIR ELECTRICITY FROM AMONG MANY COMPETING SUPPLIERS, DOES NOT PROMOTE THE STABLE REVENUE CONDITIONS NEEDED FOR DEVELOPMENT OF HIGH LEVELS OF RENEWABLE ENERGY. THE RETAIL CCE MODEL IS EXPLICITLY NOT THE SUBJECT OF THIS SECTION.

(VIII) A WELL-DESIGNED WHOLESALE, OPT-OUT CCE PROGRAM WOULD INTRODUCE AN ELEMENT OF WHOLESALE COMPETITION AND COMMUNITY-LEVEL CHOICE INTO THE SUPPLY OF ELECTRICITY AND COULD PROVIDE COMMUNITIES THAT HAVE AMBITIOUS RENEWABLE ENERGY GOALS, COST-CONTAINMENT GOALS, OR BOTH, WITH A MEANS TO REACH THOSE GOALS MORE QUICKLY AND COST-EFFECTIVELY.

(IX) THIS SECTION PERTAINS ONLY TO THE STUDY OF CCE, NOT TO ITS IMPLEMENTATION. WHILE CCE IN OTHER STATES SHOWS THE POTENTIAL FOR

COMMUNITIES TO MAKE LOCAL ENERGY DECISIONS, REACH THEIR ENERGY GOALS, REDUCE ENERGY COSTS, AND FOSTER LOCAL ECONOMIC DEVELOPMENT AND LOCAL EMPLOYMENT, IT IS PRUDENT TO FIRST STUDY THE FEASIBILITY AND THE REGULATORY, LEGAL, AND ENVIRONMENTAL IMPLICATIONS OF CCE IN COLORADO BEFORE CONSIDERING THE IMPLEMENTATION OF CCE AS AN OPTION FOR COMMUNITIES IN COLORADO THAT ARE SERVED BY AN INVESTOR-OWNED ELECTRIC UTILITY.

(X) THE STUDY OF CCE AS DESCRIBED IN THIS SECTION WILL ANSWER KEY QUESTIONS ABOUT THE POTENTIAL VIABILITY OF CCE IN COLORADO AND WILL IDENTIFY BEST PRACTICES AND LESSONS LEARNED FROM THE EXPERIENCES OF STATES THAT HAVE ALREADY IMPLEMENTED CCE. THE STUDY WILL PROVIDE THE INFORMATION NEEDED TO DETERMINE WHETHER CCE COULD PROVIDE NET BENEFITS TO COLORADO COMMUNITIES.

(XI) CCE, IF ENABLED IN COLORADO IN THE FUTURE, COULD PROMOTE A MORE VIBRANT AND COMPETITIVE WHOLESALE ELECTRICITY MARKET AND COULD ENHANCE EFFORTS TO FORM OR JOIN A REGIONAL TRANSMISSION ORGANIZATION, WHICH COULD INCREASE THE FOOTPRINT OF ENERGY TRADING IN THE WEST AND THEREBY REDUCE COSTS THROUGH MARKET EFFICIENCY, LOWER REQUIRED RESERVE CAPACITIES, INCREASED INTEGRATION OF COST-EFFECTIVE RENEWABLE ENERGY, AND DECREASED CURTAILMENT OF EXCESS RENEWABLE ENERGY. A REGIONAL TRANSMISSION ORGANIZATION COULD ALSO POTENTIALLY BENEFIT COOPERATIVE ELECTRIC ASSOCIATIONS AND MUNICIPAL ELECTRIC UTILITIES.

(b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS IN THE PUBLIC INTEREST TO DIRECT THE COMMISSION TO EVALUATE THE VIABILITY OF THE WHOLESALE, OPT-OUT MODEL OF CCE IN COLORADO AND TO ANSWER KEY QUESTIONS ABOUT CCE IN COLORADO BY CONDUCTING AN INVESTIGATORY DOCKET THAT CONSIDERS AT LEAST THE TOPICS OUTLINED IN SUBSECTION (3) OF THIS SECTION.

(2) **Definition.** AS USED IN THIS SECTION, "COMMUNITY CHOICE ENERGY" OR "CCE" MEANS A MECHANISM THAT ALLOWS CITIES, INCLUDING A CITY AND COUNTY, COUNTIES, OR GROUPS OF CITIES AND COUNTIES TO COMBINE THEIR PURCHASING POWER AND CHOOSE ONE OR MORE ALTERNATIVE WHOLESALE ELECTRICITY SUPPLIERS ON BEHALF OF THE RESIDENTS, BUSINESSES, AND MUNICIPAL FACILITIES IN THE JURISDICTION WHILE THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY MAINTAINS ITS EXISTING GENERATION AND CONTINUES TO OWN AND OPERATE ITS TRANSMISSION AND DISTRIBUTION SYSTEM AND DELIVER THE ELECTRICITY TO BOTH ITS OWN CUSTOMERS AND CCE CUSTOMERS.

(3) **Investigatory docket.** (a) ON OR BEFORE JANUARY 15, 2022, AND IN ACCORDANCE WITH THIS SUBSECTION (3), THE COMMISSION SHALL OPEN AN INVESTIGATORY DOCKET TO ACCEPT TESTIMONY AND DOCUMENTATION FROM STAKEHOLDERS, INDEPENDENT ENERGY AND UTILITY EXPERTS, REGULATORS FROM STATES IN WHICH CCE HAS BEEN IMPLEMENTED OR IS UNDER CONSIDERATION, REPRESENTATIVES OF OPERATIONAL CCE AUTHORITIES, AND OTHER INTERESTED PARTIES. THE GOAL OF THE PROCEEDING IS TO CONSIDER THE REGULATORY IMPLICATIONS AND LEGAL IMPACTS OF POSSIBLE FUTURE CCE-ENABLING LEGISLATION AND PROVIDE RECOMMENDATIONS TO THE GENERAL ASSEMBLY.

CONCLUSIONS SHOULD INCLUDE BEST PRACTICES AND LESSONS LEARNED FROM STATES THAT HAVE ENABLED CCE AT THE WHOLESALE LEVEL. THE COMMISSION SHALL EMPLOY PROCEDURES THAT PROMOTE A PRODUCTIVE, EFFECTIVE, AND EVIDENCE-BASED PROCESS, INCLUDING ONE OR MORE COMMISSIONERS' INFORMATIONAL MEETINGS WITH PRESENTATIONS BY SUBJECT-MATTER EXPERTS.

(b) THE COMMISSION SHALL SOLICIT INPUT FROM A BROAD AND INCLUSIVE RANGE OF STAKEHOLDERS AND PRESENTERS TO ENSURE THAT THE PROCESS IS NOT DOMINATED BY ANY ONE GROUP OR VIEWPOINT. STAKEHOLDERS AND PRESENTERS MAY INCLUDE:

(I) LOCAL GOVERNMENTS WITH DECLARED GOALS REGARDING CARBON EMISSIONS OR ENERGY SUPPLY CHOICES;

(II) BUSINESS GROUPS;

(III) ENVIRONMENTAL ADVOCATES;

(IV) CONSUMER ADVOCATES;

(V) ELECTRIC UTILITIES, INCLUDING INVESTOR-OWNED ELECTRIC UTILITIES, MUNICIPALLY OWNED ELECTRIC UTILITIES, AND COOPERATIVE ELECTRIC ASSOCIATIONS;

(VI) INDEPENDENT POWER PRODUCERS;

(VII) POWER MARKETERS;

(VIII) RENEWABLE ENERGY DEVELOPERS;

(IX) CONSULTANTS OR OTHER EXPERTS IN ENERGY PROJECT FINANCING;

(X) CONSULTANTS OR OTHER EXPERTS IN ENERGY EFFICIENCY AND DISTRIBUTED ENERGY RESOURCES;

(XI) REPRESENTATIVES OF OPERATIONAL CCE AUTHORITIES THAT USE THE WHOLESALE CCE MODEL; AND

(XII) MEMBERS OF THE GENERAL PUBLIC.

(c) THE TOPICS AND QUESTIONS TO BE EXPLORED IN THE DOCKET SHALL INCLUDE:

(I) WHETHER THE COMMISSION WOULD REQUIRE ADDITIONAL STATUTORY AUTHORITY TO CONDUCT A RULE-MAKING PROCEEDING CONCERNING THE CREATION OF CCE AUTHORITIES IN COLORADO; EXCEPT THAT THE COMMISSION'S DETERMINATION THAT ADDITIONAL STATUTORY AUTHORITY IS NOT REQUIRED DOES NOT PRECLUDE THE GENERAL ASSEMBLY FROM INCREASING OR AMENDING THE COMMISSION'S STATUTORY AUTHORITY;

(II) THE APPROPRIATE SCOPE OF REGULATORY OVERSIGHT OF CCE OPERATIONS, ON A SCALE RANGING FROM COMPREHENSIVE, AS WITH INVESTOR-OWNED ELECTRIC

UTILITIES, TO MINIMAL, AS WITH MUNICIPALLY OWNED ELECTRIC UTILITIES;

(III) WHICH ASPECTS, IF ANY, OF CURRENT OR ANTICIPATED INVESTOR-OWNED ELECTRIC UTILITY REGULATION BY THE COMMISSION SHOULD APPLY TO CCE AUTHORITIES AS WELL, AND TO WHAT EXTENT, INCLUDING REGULATION IN THE AREAS OF:

(A) RESOURCE ADEQUACY PLANNING;

(B) ASSURANCE OF RELIABILITY AND HOW THIS IS PAID FOR;

(C) COMPLIANCE WITH RENEWABLE ENERGY STANDARDS AND EMISSIONS REDUCTION TARGETS;

(D) SUPPLEMENTAL DEMAND-SIDE MANAGEMENT PROGRAMS OFFERED BY CCE AUTHORITIES;

(E) TIME-OF-USE RATES OR OTHER RATE REQUIREMENTS IF MANDATED FOR INVESTOR-OWNED ELECTRIC UTILITIES; AND

(F) STANDARDS FOR REQUESTS FOR PROPOSALS;

(IV) THE APPROPRIATE PRINCIPLES AND CONSIDERATIONS FOR CALCULATING THE AMOUNT AND DURATION OF REASONABLE TRANSITION FEES, ALSO KNOWN AS EXIT FEES, THAT COMMUNITIES FORMING A CCE AUTHORITY WOULD PAY TO THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY TO OFFSET THEIR FAIR SHARE OF THE COSTS OF UTILITY ASSETS AND CONTRACTS THAT WERE PROCURED ON THEIR BEHALF AND PREVIOUSLY APPROVED, IN AMOUNTS SUFFICIENT TO PROVIDE COST RECOVERY FOR STRANDED INVESTOR-OWNED ELECTRIC UTILITY ASSETS AND CONTRACTS AND DIRECT TRANSITION COSTS WHILE PROTECTING NON-CCE CUSTOMERS BUT WITHOUT UNDULY BURDENING CCE CUSTOMERS. THE PRINCIPLES AND CONSIDERATIONS SHALL INCLUDE:

(A) THE AGE OR THE DATE OF INITIAL SERVICE OF GENERATION ASSETS AND EXISTING CONTRACTS;

(B) THE POTENTIAL FOR EXIT FEES TO VARY OVER TIME OR BY LOCATION;

(C) THE ESTABLISHMENT OF A SPECIFIC EXPIRATION PERIOD FOR EXIT FEES;

(D) MEASURES TO MITIGATE EXIT FEES THROUGH POTENTIAL CONTRACT TRANSFER OR RESALE TO CCE AUTHORITIES OR OTHER BUYERS, AND APPROPRIATE FORECASTING OF DEPARTING LOAD TO AVOID OVER-PROCUREMENT; AND

(E) PITFALLS ENCOUNTERED IN OTHER STATES RELATED TO EXIT FEES AND HOW THOSE PITFALLS COULD BE AVOIDED OR MITIGATED BY UP-FRONT CONSIDERATION.

(V) THE APPROPRIATE CONDITIONS, LIMITATIONS, AND PROCEDURES UNDER WHICH CUSTOMERS MAY OPT OUT OF CCE AND RECEIVE BUNDLED SERVICE FROM THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY;

(VI) WHETHER ANY ADDITIONAL CONSUMER PROTECTIONS WOULD BE REQUIRED AND THE MEANS OF PROVIDING THOSE PROTECTIONS;

(VII) POTENTIAL CHALLENGES FOR CCE START-UP OR CONTINUING OPERATIONS, INCLUDING THE AVAILABILITY OF FINANCING AND CREDIT RATING CONSIDERATIONS, AND STRATEGIES TO OVERCOME THOSE CHALLENGES;

(VIII) WHAT REGULATORY AND LEGAL ISSUES HAVE ARISEN IN OTHER STATES THAT HAVE ADOPTED THE WHOLESALE, OPT-OUT MODEL OF CCE AND POSSIBLE SOLUTIONS FOR THOSE ISSUES;

(IX) WHETHER AN INVESTOR-OWNED ELECTRIC UTILITY THAT REMAINS THE SOLE PROVIDER OF DISTRIBUTION, TRANSMISSION, AND OTHER SERVICES TRADITIONALLY PROVIDED BY THE UTILITY, SUCH AS METERING AND BILLING, SHOULD ALSO BE THE PROVIDER OF LAST RESORT FOR SUPPLYING ELECTRICITY TO CUSTOMERS WHO OPT OUT OF CCE;

(X) THE APPROPRIATE PROCESS FOR APPROVAL OF CCE ON BEHALF OF CUSTOMERS WITHIN A JURISDICTION, WHETHER BY ORDINANCE, BY VOTE OF THE PEOPLE, OR OTHERWISE;

(XI) WHETHER CCE AUTHORITIES SHOULD BE ALLOWED TO OFFER DEMAND-SIDE MANAGEMENT PROGRAMS THAT EITHER EXPAND UPON OR REPLACE SUCH PROGRAMS OFFERED BY THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY;

(XII) REGULATORY AND POLICY CONSIDERATIONS RELATED TO FORMING CCE AUTHORITIES IN A STATE THAT DOES NOT CURRENTLY BELONG TO A REGIONAL TRANSMISSION ORGANIZATION OR PARTICIPATE IN A WHOLESALE ELECTRICITY MARKET, AND POSSIBLE SOLUTIONS, INCLUDING CONSIDERATIONS IN THE AREAS OF:

(A) WHETHER LEGISLATION SHOULD BE ADOPTED TO GUARANTEE OPEN ACCESS AND FAIR PRICES FOR TRANSMISSION SERVICES;

(B) RECOMMENDATIONS FOR LEGISLATIVE OR ADMINISTRATIVE MEASURES, OR BOTH, CONCERNING WHOLESALE MARKET ACCESS AND DEVELOPMENT IN COLORADO; AND

(C) WHETHER OTHER LEGISLATIVE AND REGULATORY MODIFICATIONS ARE NECESSARY TO SUCCESSFULLY IMPLEMENT CCE IN COLORADO;

(XIII) WHAT, IF ANY, MINIMUM REQUIREMENTS AND STANDARDS SHOULD APPLY TO INDEPENDENT POWER PRODUCERS AND POWER MARKETERS WHO WISH TO SUPPLY ENERGY TO A CCE AUTHORITY;

(XIV) WHAT, IF ANY, DATA-SHARING REQUIREMENTS SHOULD BE IMPOSED ON INVESTOR-OWNED ELECTRIC UTILITIES TO HELP ENSURE THAT A CCE AUTHORITY OR A JURISDICTION INVESTIGATING WHETHER TO FORM OR JOIN A CCE AUTHORITY CAN REASONABLY EVALUATE ITS FINANCIAL AND TECHNICAL VIABILITY AND IMPLEMENT ITS CCE PROGRAM;

(XV) HOW CCE MIGHT FACILITATE OR IMPEDE:

(A) INCREASED INTEGRATION OF DISTRIBUTED ENERGY RESOURCES, SUCH AS ROOFTOP SOLAR, COMMUNITY SOLAR, AND BATTERY ENERGY STORAGE INTO DISTRIBUTION SYSTEMS;

(B) INCREASED INVESTMENT IN BENEFICIAL ELECTRIFICATION, INCLUDING ELECTRIFICATION OF TRANSPORT; AND

(C) RESOURCE ADEQUACY AND RELIABILITY, AND WHAT REGULATORY APPROACHES WOULD BE NEEDED TO MAXIMIZE POSITIVE IMPACTS AND MITIGATE NEGATIVE IMPACTS;

(XVI) THE APPROPRIATE CONSIDERATIONS FOR ENSURING THAT THE IMPLEMENTATION OF CCE DOES NOT INCLUDE CUSTOMERS IN THE CERTIFICATED TERRITORIES OF MUNICIPALLY OWNED ELECTRIC UTILITIES OR COOPERATIVE ELECTRIC ASSOCIATIONS;

(XVII) THE IMPACT OF ALLOWING CCE IN COLORADO ON THE ABILITY OF COLORADO TO REACH ITS CLEAN ENERGY AND GREENHOUSE GAS REDUCTION GOALS AND WHAT LEGISLATIVE AND REGULATORY REQUIREMENTS FOR CCE WOULD BE NEEDED TO FACILITATE REACHING THOSE GOALS;

(XVIII) THE IMPACT, BOTH POSITIVE AND NEGATIVE, OF CCE IN COMMUNITIES THAT HAVE FORMED OR JOINED A CCE AUTHORITY IN STATES THAT HAVE ENABLED THE WHOLESALE, OPT-OUT MODEL OF CCE;

(XIX) THE IMPACT OF CCE ON LOW-INCOME HOUSEHOLDS AND COMMUNITIES DISPROPORTIONATELY IMPACTED BY ELECTRICITY GENERATION, INCLUDING THE AVAILABILITY OF LOW-INCOME PROGRAMS OFFERED THROUGH THE INVESTOR-OWNED ELECTRIC UTILITY TO CCE CUSTOMERS AND THE ABILITY OF CCE AUTHORITIES TO ESTABLISH ADDITIONAL PROGRAMS TO ASSIST LOW-INCOME HOUSEHOLDS AND COMMUNITIES DISPROPORTIONATELY IMPACTED BY ELECTRICITY GENERATION;

(XX) THE RISKS A CCE AUTHORITY MIGHT FACE THAT MERIT CONSIDERATION, SUCH AS RESOURCE PRICE RISKS, CONTRACT RISKS, OR LOAD DEFLECTION, AND THE SIGNIFICANCE OF THOSE RISKS;

(XXI) THE IMPACT OF CCE ON JOBS IN THE ELECTRICITY SECTOR, INCLUDING THE NUMBER AND CLASSIFICATION OF JOBS LOST OR GAINED AT INVESTOR-OWNED UTILITIES AND CCA AUTHORITIES IN CALIFORNIA;

(XXII) WHAT OPTIONS, INCLUDING PROJECT LABOR AGREEMENTS, WOULD ENSURE THAT NEW ENERGY PROJECTS BUILT TO SUPPLY CCE AUTHORITIES ARE CONSTRUCTED USING UNION LABOR; AND

(XXIII) HOW THE PROCUREMENT PROCESS WORKS AND HOW IT VARIES FROM ONE CCE OR CCA AUTHORITY TO ANOTHER, ESPECIALLY IN CALIFORNIA.

(d) THE COMMISSION SHALL SUMMARIZE ITS FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS FROM THE INVESTIGATORY DOCKET IN A FINAL REPORT SUBMITTED TO THE TRANSPORTATION AND ENERGY COMMITTEE OF THE SENATE AND

THE ENERGY AND ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, AND POSTED ON THE COMMISSION'S PUBLIC WEBSITE. THE COMMISSION SHALL SUBMIT THE REPORT ON OR BEFORE DECEMBER 15, 2022. RECOMMENDATIONS MAY BE SPLIT INTO MAJORITY VIEWS AND DISSENTING VIEWS IF NECESSARY.

(e) THE IMPLEMENTATION OF ANY OPTION DETERMINED FROM THE STUDY CANNOT HAVE A NEGATIVE IMPACT ON OTHER RATEPAYERS OUTSIDE OF THE MUNICIPALITY THAT IS THE FOCUS OF THE STUDY.

(4) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.

SECTION 2. Appropriation. (1) For the 2021-22 state fiscal year, \$48,391 is appropriated to the department of regulatory agencies for use by the public utilities commission. This appropriation is from the general fund. To implement this act, the commission may use this appropriation as follows:

(a) \$41,381 for personal services, which amount is based on an assumption that the commission will require an additional 0.5 FTE; and

(b) \$7,010 for operating expenses.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: June 25, 2021